

STAFF REPORT: ENGINEERING AND PUBLIC WORKS DEPARTMENT



REPORT TO: Engineering and Public Works Committee
MEETING DATE: March 11, 2008
REPORT NO.: EPW.08.22
SUBJECT: Winter Control Materials Purchase
PREPARED BY: Jim McCannell, Manager of Roads & Drainage Division

A. Recommendations

THAT Council approve the purchase of 1800 m³ of winter sand from the County of Grey for the 2008 winter control period at a cost of \$24.46 per m³ for a total of \$44,028, and

THAT Council approve the purchase of 22,000 litres of Liquid De-icer from the County of Grey for the 2008 winter control period at a cost of \$0.2916 per litre for a total of \$6,415.20 as outlined in Report EPW.08.22.

B. Background

The Town has purchased winter sand and liquid de-icer through the County of Grey for a number of years. The materials are stored at the County works yard on Country Road 40 and the Town reimburses the County based on actual materials used.

In the fall of 2007, Grey County stockpiled 2700 m³ of winter sand in the County sand dome for use on Town of The Blue Mountain's roads. To date, the Town has used all 2700 m³ of winter sand. This material was purchased from the 2007 Roads, Winter Control Operating Budget. In the past, the Town has used on average 3500 m³ of winter sand each year. Due to the weather conditions experienced to date, it is anticipated that the Roads and Drainage Division will need more than the normal volume of sand. It is anticipated that the volume of winter sand may exceed the forecasted volume of 3500 m³ by 1000 m³ for a total of 4500 m³.

For information, the unit price of sand has dropped from \$25.15 m³ for 2006/2007 to \$24.46 m³ in 2007/2008. This information was received from Sheila McKerroll at Grey County. Prices include PST and are set each year in September for the following winter.

Winter Sand Costs

Approved Amount from 2007	\$71,820
Purchased in 2007	2700 m ³ at \$24.46 = \$66,042 (including PST)
Additional Sand Volume Requested to be purchased from 2008 budget	1800 m ³ at \$24.46 = \$44,028 (including PST)
Estimated Total Use In 2007/2008	4500 m ³ at \$24.46 = \$110,070

Liquid De-icer (salt brine)

As of January 1, 2008, the Town has used 11,168 litres of salt brine. The price for the brine has been set at \$0.2916 per litre for a value of \$3,256.59. The estimated quantity of liquid de-icer required is 33,000 litres, based on past years. The approved purchase amount is \$7,260.00 as described in Report EPW.07.57 (Attachment #1).

The price of the de-icing liquid has risen from the estimated price of \$0.2376 to \$0.2916. (Including PST)

Approved Amount from 2007	= \$7,260
Purchased and Used in 2007	11,168 L at \$0.2916= \$3,256.59 (including PST)
Additional liquid de-icer requested to be purchased from 2008 budget	22,000 L at \$0.2916 = \$6,415.20 (including PST)
Estimated Total Use In 2007/2008	33,168 L at \$0.2916 = \$9,671.79

Additional Background Information

As of March 4, 2008, the Town has ordered 16 loads of salt from Sifto Canada Inc. Each truck load is approximately 40 tonnes per load, for an estimated total of 640 tonnes of de-icing salt. The Town expects to use an estimated 1000 tonnes over the course of the winter. The value of salt used to date is \$41,879.85 (\$18,171.71 in 2007 and \$23,708.14 in 2008) which is less than the approved \$61,850 as described within Report EPW.07.100 (Attachment #2).

As of March 1, 2008, the Roads and Drainage Department has used 3,729 m³ of winter sand and 27,025 litres of liquid de-icer.

C. The Blue Mountains' Strategic Plan

This engineering assignment furthers the Town's Strategic Goal #2, "Addressing the Town's municipal infrastructure needs".

D. Budget Impact

Impact on 2007 winter control operation budget

Winter Sand in 2007	\$66,042.00
Salt Brine	\$3,256.59
Road Salt purchase as of Dec. 31, 2007	\$18,171.71

Total expenses applied to the 2007 winter control budget	\$ 87,470.30 (including PST)

The materials purchased in 2007, valued at \$87,470.30 will be funded from the \$89,000 in the 2007 Operating Winter Control Budget. The cost of purchasing additional winter controls materials (\$44,028 + \$6,415.20 = \$50,443.20) will be expended from the 2008 winter control operating budget (1-308-3105-62000).

There is \$125,000 allocated for the purchase of salt and sand in the 2008 Roads Winter Control Operating Budget.

E. Attached

1. EPW.07.57, May 15, 2007, Winter Sand and Liquid De-icer
2. EPW.07.100, September 25, 2007, Purchase of De-icing Salt

Respectfully submitted,

Jim McCannell
Manager of Roads & Drainage Division

Reg Russwurm
Director, Engineering & Public Works